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**STAMFORD TYRES REPORTS 1.7 PER CENT RISE IN REVENUE TO
\$150.3 MILLION FOR HALF YEAR**

SINGAPORE, 8 DECEMBER 2014 – Mainboard-listed Stamford Tyres Corporation Limited (“Stamford Tyres”)(STC:SP) today announced a 1.7 per cent increase in the Group’s total revenue to \$150.3 million for its half year (1HFY15) as compared to \$149.8 million for the same corresponding period last year (1HFY14). The increase was mainly attributable to the growth in the South East Asian markets.

Gross profit stood at \$32.0 million in 1HFY15 as compared to \$33.7 million in 1HFY14. The Group’s gross profit margin decreased from 22.8% to 21.3%. The lower gross profit margin was mainly due to pricing pressure arising from market competition in some markets.

Net profit for the Group decreased from \$5.3 million in 1HFY14 to \$1.4 million in 1HFY15. Included in 1HFY14 net profit was a one-off gain from the disposal of Balestier Tower property.

Operating expenses were slightly higher at \$30.1 million for 1HFY15 as compared to \$28.7 million in 1HFY14 due to higher salaries and employees benefits, marketing and distribution costs, and utilities and maintenance costs.

Mr Wee Kok Wah, President of Stamford Tyres Corporation Limited, said: “Despite the competitive environment in some markets, I am pleased to report that the Group managed to increase its revenue to reach \$150 million for the first half of our financial year. Our joint venture in India, FTI India, which was in a start-up phase last year, has managed to break even for the second quarter of the financial year. Going forward, we intend to drive our business growth by leveraging on our extensive distribution network”.

On a fully diluted basis, the Group’s earnings per ordinary share decreased from 2.2 cents for 1HFY14 to 0.61 cents for 1HFY15. As at 31 October 2014, the Group’s net asset value per ordinary share stood at 51.4 cents, compared to 52.0 cents as at 31 October 2013. All of the above are based on the issued share capital of 235,586,244 ordinary shares.

No interim dividend has been declared for the second quarter ended 31 October 2014.

Business Prospects

The tyres and wheels distribution business will remain competitive. Amidst the challenging operating environment, the Group will continue to optimize its product mix so as to enhance its overall performance. At the same time, the Group will continue to manage its operating costs. As Stamford Tyres is one of the largest independent tyre and wheel distributors in South East Asia, the Group will continue to build on its core markets in this region.

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About Stamford Tyres Corporation Limited (STC:SP)

Stamford Tyres is one of the largest independent tyre and wheel distributors in Southeast Asia with distribution centres in Singapore, Malaysia, Thailand, Indonesia, Hong Kong, China, India, Australia and South Africa. It provides many value added services such as regional retail operations, on-site management services to fleet owners and mining operators. The Group has also set up a state-of-the-art plant in Thailand to manufacture alloy wheels.

Stamford Tyres was established in the 1930s and was listed on the Second Board of Singapore Stock Exchange (then known as SGX-Sesdaq) in 1991, and was upgraded to the Main Board of the Singapore Exchange Securities Trading Limited (SGX-ST) in April 2003. Today, Stamford Tyres has a sales and operations network in more than 90 countries around the world. While the Group continues to focus on its core business of tyre distribution of its major brands – Falken, Dunlop, Continental and Toyo Tires, it has also strengthened its development capabilities and introduced innovative products to grow its proprietary brands in international markets – Sumo Firenza, Sumo Tire and SSW Wheels.

For more information, please contact:-

Mileage Communications Pte Ltd

Patsy Phay / Denise Luo

Tel: 6222-1678

Email: patsy@mileage.com.sg / denise@mileage.com.sg